



OneCare Vermont

December 16, 2022

Dear Green Mountain Care Board,

As Chairs of the OneCare Vermont (OCV) Board of Managers, we write to communicate our serious concerns about the proposed budget orders and Medicare base rate for 2023 that were discussed during the GMCB's December 14, 2022 meeting.

OneCare Holding Risk for the Medicare Advanced Shared Savings (Blueprint and Support and Services at Home)

The GMCB is contemplating putting OneCare at risk for approximately \$9.5 million in payments to primary care providers and sites that participate in the Blueprint and SASH programs. While the payments are obligated to be paid in full by the GMCB, the revenue stream to fund these payments is dependent on participating providers earning sufficient shared savings. As previously stated, in writing and during public comment, OneCare is not a full risk-bearing entity and we do not carry reserves like one. This order, if approved, would result in OneCare assuming more risk than it can afford. Taking on more risk than we could repay would be fiscally irresponsible for the organization and its provider network. In addition, holding the risk for these payments threatens OneCare's ability to deliver timely payments to providers. On numerous occasions OneCare fronted funds, including Medicaid shared savings and CPR payments, to providers in advance of receiving payment from payers, to ensure consistent and timely cash flow. The value of these payments was made starkly apparent during the pandemic. Our ability to continue this practice will not be possible if our cash is depleted.

Medicare Benchmark

We appreciate and support the GMCB staff recommendation to utilize the maximum allowable trend rate when computing the 2023 Medicare benchmark. However, we are very concerned with the calculation of the 2022 base spend upon which that trend is applied, and believe much more work and analysis should be undertaken to assure it is sufficient. We believe there are alternatives to ensure the base is accurately set to reflect actual cost of care and would want to see that memorialized in writing. If the 2022 base spend numbers shared by the GMCB on December 16, 2022 are utilized, the 2023 target will be 0.1% higher than the 2022 target, which falls well short of inflationary trends at a point when our network providers are facing extreme financial stress. Part of the value of the all-payer model agreement was to ensure adequate Medicare payments to Vermont providers. Under-shooting on our Medicare target negates this benefit.

Combined, these two provisions have the potential to produce over \$26 million in losses for OneCare and its provider network in 2023. This is not tenable, and we cannot recommend to the OneCare board

that they approve participation in the all-payer model in 2023 based on these terms, and confidence the Medicare benchmark will be appropriately set.

We will not take this decision lightly as it would be a significant blow to healthcare reform efforts in Vermont, and particularly to primary care providers. The Vermont Medicare ACO Initiative sustains many payments and benefits, which could be eliminated if OneCare does not participate in the Medicare model:

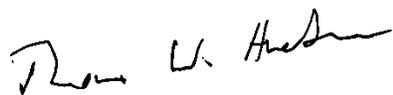
- \$9.5M in Blueprint/SASH funding, which is only available if there is an ACO willing to participate;
- \$4.0M in Population Health Management base payments to primary care practices and other continuum of care providers;
- \$815,000 in Population Health Management bonus potential paid to primary care and other continuum of care providers;
- More than \$900,000 in payments to independent primary care practices participating in the Comprehensive Payment Reform (CPR) program;
- More than \$2.7 million in Medicare Quality Payment Program bonuses for participation in an Advanced Alternative Payment Model;
- Administrative relief from federal reporting requirements for Vermont health care providers; and
- Approximately \$262M of healthcare provider payments reverting to fee for service from fixed payments

We urge the GMCB to thoughtfully reconsider your proposed actions on these matters.

Thank you,



Anya Rader Wallack
Chair, OneCare Board of Managers



Thomas W. Huebner
Vice Chair, OneCare Board of Managers